

## Office of Indian Energy & Economic Development

Respecting Tradition . . . While On The Path To Prosperity







# Division of Energy & Mineral Development

## **About us:**

The Division of Energy and Mineral Development provides the best technical and economic advice and services to assist Indian mineral owners in gaining economic self-sufficiency by creating sustainable

We are uniquely poised to offer energy and mineral solutions that no other government agency can provide - on the reservation, where it counts.

economies through the environmentally sound development of their energy and mineral resources. Indian reservations – largely unexplored lands – hold vast natural resources, and our staff members are uniquely poised to offer services no other agency can provide

Currently we offer technical advice in assisting tribes to explore and develop nearly 2 million acres of energy and mineral resources. An additional 15 million acres of undeveloped lands could hold the potential for further energy and mineral exploration.

The Division is committed to identify tribal needs and how they best fit with their long-term desires. Once identified, the Division helps tribes build their resources by finding the best companies to fit with tribal goals. The Division also helps Indians diversify and re-invest their money with other profitable enterprises that can create employment for their people.



#### What We Do:

- Serve as liaison between tribes and industry
- Assess mineral and energy resources, including renewables
- Assist tribes in marketing their energy and mineral resources
- Assist tribes in negotiating development agreements
- Provide sophisticated economic analyses
- Assist tribes in maximizing their revenue stream from resource development

In 2013, Indian energy and mineral resources generated \$970 million for tribes and individual allottees.

RESOURCE ASSESSMENT FEASIBILITY STUDIES

**BUSINESS PLANNING** 

**MARKETING** 

ASSISTANCE IN NEGOTIATIONS

ACCESS TO CAPITAL WORKFORCE TRAINING

COMMUNITY PLANNING

SUSTAINABLE ECONOMIC DEVELOPMENT

THE CHART ABOVE EXPLAINS THE PROCESS BY WHICH DEMD HELPS TRIBES MEET THEIR GOALS.





### **Energy and Mineral Development Program (EMDP) Grant**

Each year, the Division of Energy and Mineral Development (DEMD) provides tribes an opportunity to participate in a grant program known as the Energy and Mineral Development Program (EMDP). This program provides financial assistance to tribes and Indian allottees on trust lands in evaluating their energy and mineral resource potential on their lands.

In turn, this provides tribes and allottees with the information they need to promote their lands, negotiate the best agreements with partners or investors, and eventually develop their resources. DEMD solicits proposals from tribes and using a competitive review system selects qualified projects for funding.

Solicitation of grant proposals will be made available through: grants.gov

#### **Resources Eligible for Funding**

- Minerals
- Biomass Woody and Waste
- Hydro
- Solar
- Wind
- Geothermal
- · Oil, Natural Gas & Coal

For more information visit the EMDP webpage at: bit.ly/demdemdp

### Tribal Energy Development Capacity [TEDC] Grant

The Division of Energy and Mineral Development (DEMD) annually provides tribes an opportunity to participate in the Tribal Energy Development Capacity (TEDC) grant program. The purpose of the TEDC grant program is to develop tribal managerial, organizational and technical capacity needed to maximize the economic impact of energy resource development on Indian land. The TEDC grant gives tribes the ability to develop or enhance their business and regulatory environment for energy resource development.

# THIS PROGRAM PROVIDES FINANCIAL ASSISTANCE FOR TRIBES TO:

- 1) Establish business entity structures and/or organizational structures related to energy resource development; and/or
- 2) Develop or enhance key regulatory activities

# ACTIVITIES ELIGIBLE FOR TEDC GRANT FUNDING:

# 1) Eligible business entity formation activities

- Developing legal infrastructure for business formation;
- Establishing tribally chartered corporations under tribal corporation codes with an energy resource development focus;
- Establishing tribal business charters under federal law (IRA Section 17 corporation).

# 2) Eligible regulatory activities:

- Developing or enhancing tribal policies, codes, regulations, or ordinances related to regulating and developing energy resource(s), including land lease regulations enacted pursuant to the Helping Expedite and Advance Responsible Tribal Homeownership (HEARTH) Act for energy development purposes or for business purposes attendant to an energy project.
- Adopting secured transaction codes and subsequent joint power agreement with the tribe's respective state.

For more information visit the TEDC webpage: bit.ly/tedcgrant

#### Oil and Natural Gas Production

Oil and gas resources are the largest revenue generator in Indian Country, with expected future royalty income climbing to one billion dollars per year. A large mostly undeveloped land base and exploration data will give tribes a unique opportunity to participate in shale energy development activities and the subsequent economic benefits to Tribal economies.

DEMD staff offers a unique, hands-on approach to assisting Tribes and Individual Indian Mineral Owners in leasing their resources under the Indian Mineral Development Act (IMDA) of 1982 (Tribes) and the Indian Mineral Leasing Act of 1938 (Tribes & Individual Indian Mineral Owners).



Today, many of America's highways and bridges need rebuilding. As the 21st century brings another wave of prosperity along with population increases, the problem of finding aggregate supplies to meet construction needs is growing, particularly on the West Coast and in the Sun Belt region. And it is on Indian lands where large reserves of sand and gravel, and crushed rock offer a quick, reachable solution.



DEMD staff first provides assistance to tribes and Indian mineral owners in proactively marketing energy and mineral resources. This can include sponsoring a tribal representative's attendance and serving as technical representatives for tribes at industrial trade shows, industry forums where tribes can interact directly with prospective industry partners, and providing tribally authorized technical presentations detailing the geology, geophysics, engineering and resource potential of tribal lands to potential partners. DEMD staff then analyzes the economic potential of a proposed energy or mineral transaction. DEMD staff also provides technical assistance for tribes and Indian Mineral owners in the negotiation phase to ensure beneficial terms for resource development.

The Division is actively involved in helping tribes identify and develop their aggregate resources.

More than 100 reservations with aggregate potential are located within five miles of an Interstate highway, and many with accessible truck, rail and sea links. Indians are poised to not only help improve their own infrastructure but also that of local communities, thereby creating jobs for Indians.

In Albuquerque, NM, the market value of aggregate is estimated at \$80 million annually, of which \$8 million goes directly back to tribal coffers as royalties, rentals and tribal taxes. Of Phoenix's \$400 million annual consumption of construction aggregates, \$160 million worth comes from Indian sources, feeding monies back to the tribes.

#### Renewable Energy

Many tribes are located in areas where there are significant renewable energy resources, including woody biomass, biomass waste resources, geothermal, hydroelectric, solar, and wind. Renewable energy can be developed to meet the tribe's need for sovereignty, energy independence and diversification, environmental sustainability, to strengthen the tribal economy, or any combination of these topics.

Many Indian reservations are well positioned to provide access to a stable source of competitively priced energy. For example, of the 326 American Indian reservations, more than 150 have the resource capacity needed to sustain a 1 to 25 megawatt renewable and/or natural gas power generation facility.

# Federally Recognized Tribal Entities should contact DEMD to:

- Evaluate and confirm your energy resources
- Conduct feasibility studies
- Identify business development opportunities



IEED STAFF GATHERS SOIL SAMPLES FOR HOME FOUNDATIONS. PHOTO: ROBERT JUST



DIVISION STAFF AND CONSULTANT CHECK WIND MONITORING EQUIPMENT FOR OKLAHOMA CHEROKEE WIND PROJECT. PHOTO: WINTER JOJOLA-TAL BURT

DEMD staff also work closely with tribes on marketing, identifying potential partners, negotiating, accessing capital and more. We have an experienced staff of engineers, geologists, geophysicists and business development specialists poised to help tribes along the path to sustainable economic development.



IEED STAFF COLLECTS SOIL SAMPLES FOR PRESSED BRICK PROJECT ON CROW RESERVATION.
PHOTO: I YNNE CARPENTER



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